Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of the Commission's	)	
Rules to Establish a Single AM	)	ET Docket No. 92-298
Radio Stereophonic Transmitting	)	
Equipment Standard	)	

COMMENTS OF THE CONSUMER ELECTRONICS GROUP OF THE ELECTRONIC INDUSTRIES ASSOCIATION

The Consumer Electronics Group of the Electronic Industries Association ("EIA/CEG") hereby responds to the Notice of Proposed Rulemaking in which the Commission proposes to establish a standard for stereophonic AM radio broadcasting.[1] EIA/CEG welcomes this action by the Commission and supports the proposal set forth in the Notice.

I. Introduction of EIA/CEG and Statement of Interest.

EIA/CEG represents the consumer electronics industry, an industry that provides the American public with televisions, radios, videocassette recorders and camcorders, compact disc players, and a wide variety of other products. Our membership includes most major consumer electronics manufacturers, as well as many smaller companies that design, produce, import, distribute, sell, and service electronics products in the United States.

1/ 8 FCC Rcd. 688 (1993)("Notice").

On behalf of our members, we participate in numerous FCC proceedings, involving such matters as digital audio radio, advanced television, closed-captioning, and a variety of other subjects. We also participate in legislative deliberations, organize trade shows, disseminate information to consumers, and establish industry standards (under the auspices of the American National Standards Institute). In all these endeavors, our mission is to promote competition, innovation, and interoperability of consumer products, thereby bringing quality, choice, and value to the consumer.

EIA/CEG has a longstanding interest in the subject of this proceeding. We have worked together with the National Association of Broadcasters, through the National Radio Systems Committee, to help improve the AM radio service. We have participated actively in Commission proceedings intended to "revitalize" AM radio broadcasting.[2] We have long advocated the selection of a single standard for AM stereophonic broadcasting.[3] And we are pleased that the Commission is now prepared to adopt a standard.

2/ Comments of EIA/CEG, MM Docket No. 87-267 (Nov. 16, 1990); Testimony of EIA/CEG Group Vice President, Special En Banc Hearing on the Matter of the AM Broadcast Service (Nov. 16, 1989)("En Banc Testimony"); Comments of EIA/CEG, Report on the Status of the AM Broadcast Rules (Aug. 1, 1986).

3/ En Banc Testimony at 7-11.

II. Discussion.

More than ten years ago, the Commission declined to establish a standard for AM stereo broadcasting.[4] In recent years, virtually everyone has agreed that that decision was a mistake, but there has been continuing disagreement about whether the Commission should correct it. Congress has ended that debate; the Commission now must, as a matter of law, "adopt a single AM radio stereophonic transmitting equipment standard" by October 27, 1993.[5]

We welcome the end to the impasse. For years, AM stereo has failed to achieve market acceptance. Receiver manufacturers were reluctant to build receivers with the capability to receive a format that was not being transmitted; broadcasters were reluctant to purchase equipment to transmit a signal that could not be received; both were fearful of "guessing wrong" in selecting among competing AM stereo technologies. This is the problem the National Telecommunications and Information Administration ("NTIA") accurately characterized as a "circle of doubt."[6]

The circle of doubt has been broken. Responding

to adopt the Motorola C-QUAM system as the U.S. AM stereo standard. The Notice sets forth the factors on which the Commission has based this tentative decision. Among these factors are the following: (1) the overwhelming majority of U.S. stations that broadcast in AM stereo use C-QUAM; (2) the overwhelming majority of AM receivers that receive AM stereo are compatible only with C-QUAM; and (3) all major foreign countries which have selected an AM stereo standard (including Canada, Mexico, Australia, and Japan) have chosen C-QUAM.[7] We agree that these factors leave no room for argument.

We would like to believe that the standard for AM stereo will prove to be as successful as the standard for TV stereo, but success is not guaranteed. In the case of TV stereo, the Commission approved a standard developed by the EIA Broadcast Television Systems Committee,[8] and the marketplace quickly responded with widespread implementation by broadcasters and receiver manufacturers. Tens of millions of Americans have been hearing the difference for years.

AM radio, of course, faces additional problems. Some are technical problems, which the Commission and

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7/ Notice, 8 FCC Rcd. at 688 (¶ 4).

8/ The Use of Subcarrier Frequencies in the Aural Baseband of Television Transmitters, 49 Fed.Reg. 18,100 (Apr. 27, 1984); see 47 C.F.R. § 73.682(c)(1992).

industry have already done much to address in recent years. Some are programming issues, which individual broadcasters must address on their own. Some are consumer perception issues, and broadcasters and equipment suppliers are working on these through the AMax program.[9] That program -- and the interests of broadcasters, manufacturers, and retailers in promoting AM -- may be energized by adoption of the proposal set forth in the Notice.

In this regard, the Commission may be interested to learn of recent experience in Japan. There, AM stereo broadcasts began in February 1992, after the C-QUAM system was selected. According to one press report, "listeners are accepting the technology more than expected."[10] AM stereo reception capability has been incorporated in both automobile and home receivers, including those made by Aiwa, Sony, JVC, Sanyo, Sharp, Pioneer, Kenwood, Sansui, Onkyo, Nippon Columbia, and Clarion.[11] Based on this experience, we have every reason to believe that, once the Commission acts, and once broadcasters demonstrate their intentions to deploy AM stereo transmitting equipment, the intensely

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9/ AMax and AMax Stereo are certification marks that can be used only on radios meeting certain criteria which were jointly developed by broadcasters and receiver manufacturers. Broadcasters have undertaken to promote AMax in the hope of stimulating stronger public demand for improved AM radio receivers.

10/ "Japan Embraces C-QUAM," Radio World, at 9 (Mar. 24, 1993).

11/ Id.

competitive receiver market will rapidly make available to the consumer a wide variety of AM stereo-equipped products at many different price points.

In this regard, we note that the legislation requiring prescription of a standard for AM stereo broadcasting did not include provisions regarding the design of AM radio receivers. Such provisions had been included in earlier legislative proposals that did not pass, but in the bill that became law the Congress wisely decided to rely on the marketplace with regard to the supply of AM stereo receivers. The Commission, too, has rejected proposals to regulate AM receiver characteristics.[12] We firmly believe this is the appropriate public policy determination.

12/ Review of the Technical Assignment Criteria for the AM Broadcast Service, 6 FCC Rcd. 6273, 6339-6339 (¶¶ 205-209)(1991).

III. Conclusion.

We support the proposal set forth in the Notice and urge the Commission to adopt its chosen AM stereo transmission standard as soon as possible.

Respectfully submitted,

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